## SUN Santized Approved For Release CIA-RDP7

## The bombins of the Storing fior cryright

- From STEPHEN BARBER WASHINGTON.

A seven o clock on a brilli-A antly fine morning in June, 1954, the British freighter Springfjord (3,500 tons) was lying off the Pacific coast of Guatemaia, about to discharge her cargo of cotton into barges.

Suddenly a twin-boomed P38 aircraft appeared and, without warning, dive-bombed the ship. The first bomb—a 500-pounder—landed on the deck a few feet from most of the crew but did not explode. Nor did the second. The third did, Miraculously, none of the crew was injured, but the ship was driven asnore and written off as a total loss.

To this day, not a penny of damages or compensation has been paid to the owners, the Springwell Shipping Company, All-they have recovered is £180,000 from London underwriters for the loss of the hull, which was insured against war risk.

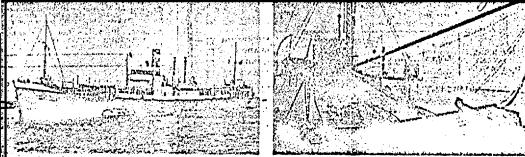
And yet the circumstances of the wholly unprovoked attack on this unarmed and innocent ship are well known. Questions have been asked in the House of Commons, diplomatic and other Government action promised—all to no avail.

For seven years the chairman of the Springwell Company. Capt. Peter Longton, struggled to obtain restitution. Then he gave upuntil last year, when, in a series of articles published by The Sunday Telegraph about the American. Central Intelligence Agency, he at last learnt why his ship had been wrecked.

The story behind the affair is this. In the early summer of 1954, it was decided in Washington that action must be taken to secure the overthrow of Guatemala's Leftwing President, v Jacob Arbenz. Guzman. There was reason to believe that arms from behind the Iron Curtain were on their way to the republic and that plans were afoot to make it a full-fledged Communist state.

In view of the threat this posed to neighbouring Central American states, not to mention the Panama Canal, with all the strategic implications this posed to America's defence, the C.I.A. was assigned the task of ousting Arbenz. Full support was therefore given to an American - trained exile, Col. Carlos Castillo-Armaz, to stage a coup d'état.

An "instant airforce" of warsurplus fighter-bombers operating, out of a base in El Salvador was duly furnished. American mercenaries flew these planes. One of thom, Jerry de Larm, carried out raids on the capital, knocking out the Shell Company's oil storage



cpot outside the city. Another, lajor Ferdinand Frederick chupp, bombed the Springfjord.

As a whole, the coup was a sucess. Indeed American officials cite as a highlight of the C.I.A.'s

Mr. Richard Bissell, then Director of Plans, who was later disnissed by President Kennedy after the Cuban invasion fiasco in 1963, penly admits this. Others have alked, too.

But the frankest account of the springfjord raid was given by senor Rudolfo Mendoza, a ring-leader in the Castilio-Armaz dventure, who flew as Major schupp's wing-man on the fateful day. He is now Director of Aviation in Guatemala.

Said he in a tele-recorded hterview, which was granted an American broadcasting company but has never, intriguingly enough, een shown:

"O.K. So we had this news at he base, that an English ship was pproaching bringing some planes or the Government. There was hree Spithres and pilots in it.

"So we said: 'The best thing o do is sink the ship.'

"So we take on the ship with he P 38 with three bombs. One was a 1,000-pounder, two were

"Schupp, in the first dive he made at the ship, the bomb didn't explode but it made a big hole, it went right through. Same hing with the second bomb—went right through.

"Then I saw the crew—some tot fast boats and got away. There was only one bomb left.

"Schupp dived in close to the ship and the bomb exploded . . . and blew some of the elevators off his airplane. . . ."

It turned out, of course, that he Springfjord was carrying no Spithres. As a matter of fact, she was under time-charter to the American Grace Line and operating in the inter-American coastal trade for which she had been specially and expensively fitted out.

Shortly after the Incident



Above: Capt. Peter Longton, owner of the Springfjord. Top: the ship before and after the bombing.

Springwell company sent a British. Q.C., Mr. Rafael Valls, to Guatemala City to discuss the case. Mr. Valls was cordially received by the President and invited to dinner at his palace. The next morning he was handed a letter at his hotel ordering him to quit Guatemala by that evening.

Further efforts to obtain redress were no more successful. As Capt. Longton put it last week: "My associates and I were barking up the wrong tree. We tried to get restitution from the Guatemalans, but we should have been looking elsewhere."

As time went on, the amount in question grew. The claim—for loss of trading earnings, interest on the capital loss over 13 years, repatriation for the crew, insurance premiums, legal fees and the like, which was drawn up with the advice of the Board of Trade—all this amounted to over £1,100,000.

When, finally, Capt. Longton read The Sunday Telegraph's articles on the C.I.A., he immediately got in touch with Lamorte, Burns & Co., his firm's representatives in New York, asking them to look

Burns wrote back to say that the law firm of Cichanowski & Callan had been in touch with the C.I.A. and the U.S. State Department in Washington, and were prepared to handle the claim on the basis of a 30 per cent. cut of the proceeds for themselves.

The idea of paying roughly a million dollars to an American firm to obtain restitution from the American Government did not greatly amuse Capt. Longton.

Last month he flew to Washington, where he learnt that the files on the case had been passed by Mr. Lawrence Houston, the General Counsel for the C.I.A., to the State Department. An appointment was arranged for him with Mr. Ernest Kerley, Assistant Legal Director, International Claims, at the State Department.

At this interview Capt, Longton told the American official that he did not wish to make an unseemly fuss or embarrass an ally, but that he did want the story looked into, He submitted a folio of his firm's claim.

Then, having heard nothing for three weeks, he sought a second meeting, which was granted. At this he was informed by Mr. Kerley that, while U.S. responsibility was not explicitly denied, he, Capt. Longton, would have to produce "affidavit proof" that the incident had taken place.

In the meantime, on Capt. Longton's behalf, I had questioned Richard Bissell, who is today working for the United Aircraft Company of East Hartford, Coninecticut.

Mr. Bissell agreed that in a recent television interview he had referred to the Guatemalan coup, which had been under his operational control, but he hedged on the subject of the Springfjord.

"In the interview I referred to an incident that certainly went beyond the limits of established policy," he said, "I do not know I referred to the Springfjord, I think other people have connected the two up.

"As you probably know, she was sunk by a bomb from a Castillo Arman alrerate. I think